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AUTHOR Wallace-Whitaker, Virginia
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ABSTRACT

A study was conducted to determine the extent to which familiarity with American brand names had spread beyond the tourist centers of Moscow and Leningrad, in a population group most likely to have curiosity about American products. The subjects, 82 English-speaking college students ages 18-25, were all students at Kharkov State University in the Ukraine. The questionnaires contained three types of questions: (1) questions which measured behaviors that could lead to an interest in American products; (2) questions probing familiarity with American brand name products, musicians and politicans; and (3) questions on Soviet Media usage. Results indicated that Soviets know a surprisingly wide range of American brands. Some of the most well-known categories were products traded on the black market, but others, such as automobiles, were those with which most respondents would have had no personal contact. Some product categories appeared to be well defined: cigarettes, blue jeans, soft drinks, automobiles. Other categories which are brand-rich in the United States appear to have no dominant players in the USSR: cosmetics, sports equipment, and ice cream. The fact that Kharkov University officials accepted the idea of an American advertising professor polling their students, and the eagerness with which students answered questions, suggests a tolerant atmosphere toward American brand advertising and competitive marketing practices. (Nine tables of data are included and 17 references are attached.) (MG)

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Awareness of American brand names in the Soviet Union

by

Virginia Wallace-Whitaker

Assistant Professor of Advertising

Department of Journalism/Broadcasting

University of Maine

Orono, Maine 04469

CS506874

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Soviet awareness of American brand names

Abstract

A purposive sampling of young Soviets reveals surprisingly high levels of awareness of American brands. Through black market barter and with little exposure to advertising, Soviets may already understand and accept the concept of brand name preference and competitive products, though this runs counter to their established buying habits.

Awareness of American brand names in the Soviet Union

Perestroika (the restructuring and reorganizing of the Soviet economy) and glasnost (the USSR's new openness about economic and social problems) have stirred American corporations to dream about the potential market for consumer goods which could be created in the Soviet Union. Though the population of the USSR is not expanding rapidly, it is large (286,000,000), and chronic shortages of consumer products gnaw at Soviet self-esteem. David Lanchner (1989), writing in Adweek's Marketing Week describes the USSR as "the world's third-largest consumer market. Best of all, it's a blank page."

This blank page, however, may not completely blank. In May, 1988, working through a large university in the Ukraine, the author asked a purposive sample of English-speaking young Soviets to name American brands in ten product categories, primarily non-durable goods. In unaided recall on a written questionnaire, they supplied brand names for blue jeans,

running shoes, cosmetics, cigarettes, automobiles, ice cream, fast food outlets, sports equipment, soft drinks and liquor or beer. Most respondents not only were able to name and correctly spell American brands, but spontaneously supplied more than one brand in most categories. The results of that brand awareness survey are presented here, along with comments upon the consumer and communication context in which young Soviets are already exposed to American brands. Some of these observations are based upon the author's direct contact with Soviet people during trips in March, 1986 (immediately following Gorbachev's first description of perestroika at the 27th Party Congress), May, 1988 (just prior to President Ronald Reagan's visit to Moscow), January, 1989 and May, 1989.

Background

Brand names and brand competition are literally foreign concepts to the Soviet consumer. Centralized planning and production, key tenents of the self-contained Soviet socialist economy, have resulted in a comsumer marketplace quite unlike that which exists in the West, or even in other Eastern Bloc countries: notably, competition between products identified by brand names is almost non-existent. Prices are set by government planners, and stamped on products at the factory. Product designs must be officially approved. Grocery stores, even when food supplies are plentiful, strike the Western eye as drab. The difference is simply that product labels are plain rather than promotional. They merely identify package contents: rice, apples, plum juice, etc.

Consumer shopping behavior also differs from Western behavior. In many product categories, there is little or no product choice; Soviet acquaintances say television sets, for example, are manufactured in several plants using a series of basic designs. (By looking at the plant identification number, the buyer may identify a set coming from the most reliable assembly line.) A young homemaker in Moscow comments that she has a choice to buy either of two models of vacuum cleaners; one she knows because she has used her mother's identical model, the other is owned by a friend. Her purchase decision will be made on first hand knowledge, with no other influences. Like some other Soviets (Smith 1987), she says she is puzzled by the advertising now appearing on Moscow television. Why, she asks, is it necessary to advertise products which are unavailable? And why would she need to see the vacuum cleaner advertised when she already knows about it?

Other product categories such as clothing and shoes are characterized by poor design or poor workmanship. This has been the result of producing items based not on consumer wants or needs, but upon the availability of raw materials to the manufacturer. In the recent past, a retail store's order for merchandise would often be filled with whatever designs the business enterprise could produce using the cloth, dyes and chemicals on hand. The order might have little in common with the original request, except the purchase number (Lazer 1986, p. 125).

Luxury items such as double cassette tape players tend to be overly expensive or unavailable to the general public. Inexpensive everyday

products such a baby teething rings are in short supply. One possible explanation is the fact that enterprise managers are paid a yearly bonus on the gross value of the goods they produce; when only a limited supply of raw material is available, it is consumed to make expensive merchandise, which commands a higher price and results in a higher year end bonus (Lazer 1986, p. 126). Marshall Goldman (1988, pp. 108-109) comments that bonuses dependent upon prices set on a cost-plus basis meant that "Soviet managers were keen on designing products with excessively large quantities of raw materials, which is why Soviet products have tended to be so large and heavy."

Uncertain supplies of products also mean many purchase decisions are made spontaneously, rather than pre-planned. When a product such as a lamp or a child's jacket appears in the store, the consumer must decide immediately whether to purchase it, because some items appear for only a short time (a few weeks, a few months) and even though customer demand is high, they seemingly are not produced again. (The closest Western analogy would be fads in fashion merchandise.) Products Westerners consider habitual or low-involvement purchases (black mascara, pantyhose) often are scarce. Loyalty to specific types of goods, then, is difficult and the need for brand labels is moot. Shopping takes on the aspect of a treasure hunt. To supply some of this demand, the government now allows semi-private cooperatives to produce items, often hand-made, which are sold outside the state store system. Street markets operate year-round in most cities. Some foods are also produced by family cooperatives, and sell at

prices higher than those in state-run stores.

But until recently, such competition and indeed interest in acquiring consumer goods was politically unfashionable. This situation existed despite the influx of two million non-Soviet tourists annually who exposd Soviets to consumer goods from Eastern Bloc and Western markets. "Consumerism" and multiplicity of designs were considered wasteful of raw materials.

Therefore, the Western idea of brand-name products and brand competition might logically be considered odd and unuseful to the average Soviet citizen. However, it is possible the Soviets have taught themselves more about brand name competition than may be supposed, and are more ready for brand name advertising than they themselves might admit.

Current Soviet access to American brand-name goods

With only a few exceptions, American goods are not officially sold in the Soviet Union. The biggest constraint on access to Western goods was, and is, the non-convertible ruble currency. Western access to Soviet goods is far easier. Foreigners visiting the USSR may change their money into rubles upon entry, may shop freely with rubles for Soviet goods, and may exchange rubles for dollars upon exiting the country. Foreigners may also spend dollars or other hard currency within the USSR, but only in special shops which are closed to Soviet citizens. These shops carry souvenirs such as Soviet-made scarves, jewelry, fur hats and coats, often of higher quality and at fairer prices than similar items in ruble stores. Western toiletries, film, cameras, electronic equipment, alcoholic beverages and cigarettes are also sold. Foreign hard currency or credit cards are accepted, and hard

currency is given in change.

Thus, inside the Soviet Union there are two legally established market tiers: one using foreign hard currency, and a second using Soviet rubles. Beside these two market tiers, a third and fourth tier exist. There is an illegal but tolerated black market in bartered goods, primarily American goods for costly Russian souvenirs (e.g. three pairs of Levi jeans for one large lacquered box.) This market is driven by the desire for American brand name goods, which young English-speaking traders sell to other Soviets. In typical American accounts of encounters with black marketers, the quality of American manufactured goods is not what is prized. The known brand name is.

Finally, there is a fourth, quite illegal, black market in which hard currency is used in direct purchase of Russian goods, or is exchanged for rubles at a rate well above that available in banks. These exchanges are surprisingly common, and the exchange rate is always negotiated directly between the two parties. English-speaking black market traders approach tourists in elevators, hotel lobbies, stores, or on the street. The waiter in a ruble restaurant or the taxi driver may ask outright to change money, or offer to take one's payment in dollars rather than rubles. In January, 1989, a tourist eyeing a Russian souvenir could roughly double ruble price to calculate official American dollar equivalent. Or, she could divide that ruble price by six to arrive at the price in black market direct dollars.

Such exchanges involve the risk of expulsion for the American, and jail for the Soviet. They are driven by the Soviet citizens' desire for hard

currency. Except for special circumstances involving official foreign travel, the Soviet citizen cannot convert rubles to dollars, marks, etc. Black market dollars appear to be used to purchase desired foreign goods, or are hoarded for use during foreign travel. In another varient of the black market, Soviet enterprises also sometimes secretly sell their overproduction na levo (to the left) to realize greater profits than that allowed by the government-decreed price (Lazer 1986, p. 123-124). Some Soviets believe this constitutes the major portion of today's black market activity.

American companies are already eyeing the Soviet market

The economic pressure on the U.S. to export, plus the lure of this vast untapped market, is leading some companies to take steps to establish consumer demand before the technicalities of selling to the Soviets have actually been cleared away. It is widely assumed, and indeed the Soviets have promised (Koschnick 1988, p. 18), that the ruble will become convertible currency and this will pave the way to increased trade.[1]

Though they currently lack most-favored-nation status, the Soviets are encouraging such trade through a variety of means. Some $300 million in contracts were signed at the December, 1988 USSR trade exposition in New York City. A January, 1987 decree actively encouraged joint ventures between Soviet enterprises and cooperatives and foreign entrepreneurs (Koschnick 1988).

There are now 200 joint ventures with the Soviets, more than 50 of them with the U.S. Other U.S.-Soviet agreements are non-currency

exchanges and involve barter, such as the 1972 agreement which gave Pepsi-Cola an exclusive soft drink franchise in the Soviet Union, and made PepsiCo -- because it couldn't take out payment in rubles --the sole U.S. distributer of Stolichnaya vodka (Lanchner 1989. p. 25). Others are relatively new, such as the commercial teleport which passes electronic mail between a "postoffice" in Moscow and San Francisco, via a geo-stationery satellite over California, charging rubles in the USSR, and dollars in the USA.

Not many companies are in the fortunate position of having something the Soviets will take in barter, and of finding something the Soviets produce which Americans will buy.

But one trade barrier which may not be as difficult to overcome as imagined is the communication of brand names. Surprisingly enough, in certain areas, American brand names are already well known despite a lack of both advertising and legal product distribution. C. Min Han and Vern Terpstra (1988, p. 235), in a discussion of whether country of origin or brand name most affect product choice, suggest that consumers use extrinsic cues such as brand names when they are not in a position to tell the true value of a product.

The already established awareness among young Soviets of certain American brand names may not only signal market acceptance and preference, but may be teaching Soviets the habit of product choice based on brand names.

Details of the survey

Tourists returning from the USSR commonly report being approached on the street by black market traders seeking American goods by specific brand names. Having had such experiences during my first trip to the USSR in March, 1986, I became curious to learn what sorts of product categories and brand names were known to Soviet youth and whether that knowledge extended beyond the tourist centers of Moscow and Leningrad. I returned to the USSR in May, 1988, escorting a university student exchange group.

The time was just prior to the visit of President Ronald Reagan to Moscow. Interest in America was high, and good feelings toward Americans were evident. Our destination city was Kharkov, a large (1.7 million population) commercial and trade center in the heart of the Soviet Ukraine. Kharkov is some 300 miles south of Moscow, and about 200 miles east of Kiev.

Purpose of research

The purpose of the research was to determine the extent to which familiarity with American brands had spread beyond the tourist centers of Moscow and Leningrad, in a population group most likely to have curiosity about American products. Currently 35% of the Soviet people are between the ages of 15 and 19. By the year 2000, if the total population reaches a projected 377 million, there will be 132 million teens -- a large potential market equal to more than the total combined populations of Germany and

France ("Pizza Hut -- first U.S.-Soviet Joint Venture," 1987). English-speaking students at Kharkov belong to, or have recently emerged from, this age group.

Expected results

It was expected that students at Kharkov would have only minimal knowledge of American brands and that this knowledge would extend only to brands with which the subjects had personal or word-of-mouth contact. It was also expected that they would be most familiar with black market goods.

Location

The particular locus of the research -- Kharkov -- is significant because it is geographically isolated from major tourist cities. The respondents represent a student population with some sophistication, but without easy access to American goods and ideas.

Kharkov State University is a major state university, with an enrollment of about 10,000. In the city of Kharkov, in addition to Kharkov State University, there are 22 academies of higher learning, making Kharkov the number three (after Moscow and Leningrad) student center in the USSR.

Subjects

The subjects were 82 college students ages 18-25, who were taking upper level English language classes at Kharkov State University. These classes are evenly divided male and female.

Students at Kharkov State University and other Soviet universities learn English with the help of British texts, tapes and exchange teachers. The first time most students and teachers in Kharkov had heard English spoken with an American accent was when they encountered our group.

Methodology

The questionnaires were prepared in the United States, and hand-carried to the Soviet Union. No prior permission for the survey was negotiated, and some of my colleagues did not believe such a survey could be conducted, citing previous Soviet attitudes against Western products. I asked permission from the Head of the Foreign Languages Department for the questionnaires to be distributed, and gave her 200 questionnaires. This quantity was based on prior information about the number of students studying English. In fact, the questionnaires were used in only upper level classes, with about 100 students. Ten questionnaires were also administered through students in personal contacts with our own student group. Of the 82 total respondents, 68% described themselves as speaking English at the good to fluent level, and 82% described themselves as reading English at the good to fluent levels.

The questionnaires were administered in various classes, by the teachers of those classes.

The questionnaire was entirely in English, and was deliberately low-key and non-intimidating in appearance -- an 8 1/2" x 11" sheet of yellow paper, folded to make four pages. Because Soviet offices in general

lack photocopiers or personal computers, I attempted to match the appearance of the sort of communications internal to the university. While my own observations told me glasnost was a reality, I did not want to appear overly "official", for fear of raising objections to the survey.

There were 23 questions, in typewriter-style type. Depending upon the information sought, the respondent was asked to write an answer on a short blank line below the question, or to circle an answer from a choice of answers provided.

The directions for the questionnaire explained that the questionnaire came from a professor at an American university who was "investigating Soviet awareness of American products and services" and went on to state "Your answers will be confidential. Do not sign your name. Do not worry about spelling English words correctly. Do not guess answers. Leave those answers blank. It is acceptable to fill out this questionnaire with the help of someone who speaks English, but the answers should be YOUR OWN."

The author's name, university and U.S. mailing address were at the top of the questionnaire, and resulted in four additional questionnaires arriving in the mail the following July.

Format of questions

The questions were of three types: 1) questions which measured behaviors which could lead to an interest in American products, such as fluency in English, access and exposure to American print media, and recent travel abroad. (No questions were asked about travel to the USA, to preserve the confidentiality of the respondents, since such travel is very

rare.) 2) questions probing familiarity with American brand name products, musicians and politicians. 3) questions on Soviet media useage.

The questions concerning awareness of American brands in ten product categories are the primary focus of this paper. All of these were of the write-in variety.

Results

Following is a brief summary of the frequency of unaided recall of American brand names in ten product categories. Though respondents were asked to name one American brand in each category, in most categories the questions spontaneously generated mutiple-answer responses, with respondents sometimes adding comments such as "and lots more." Clearly, the Soviets were proud of their knowledge of American brands. There were also comments suggesting frustration when they hit a category to which they could not respond. The results reported here are primarily the first responses for each category. Where the commentary on some categories also includes a tally of total responses from all those questioned, it is with the understanding that this is methodologically questionable; a respondent correctly reading the question would supply only one brand name. Thus, any statement of total frequency for a brand probably understates the number of people who could name it.

These total freqencies are included, however, to give the reader an idea of which product categories seem to have many established brands.

When respondents mentioned brands which may not be American brands, but are perceived to be American brands, these were counted as

legitimate answers rather than non-responses. A typical example is the American-sounding "Montana" blue jeans.

Here are the ten categories; n = 82 for all tables presented. The categories are presented in the order in which the questions were posed. These questions were preceded by three questions on English/foreign language ability.

Table 1.

BLUE JEANS

BRAND	% MENTIONING BRAND FIRST	TOTAL % MENTIONING BRAND
Levi's	29%	68%
Lee	23%	60%
Montana	22%	50%
Wranglers	11%	34%
"western"	4%	18%
"cigarette"	4%	4%
Blue Dollar	1%	5%
Other	6%	34%
Non-responses	–	

BLUE JEANS -- Levi and Lee jeans were the leaders in this category, with Montana -- an American-sounding brand -- and Wrangler rated well above other brands. Jean names with Western appeal (Rifle, Golden Star) and jean names which were also cigarette names (Winston, Lucky Strike) also evoked American associations. Notably absent from these responses were high-

fashion American jeans such as Calvin Klein or Guess. The name Levi was sometimes rendered as Levis or Levi-Strauss, and Lee also appeared as Lee Cooper. Levi and Lee also led in total frequency of responses, when multiple-response answers were included.

Table 2.

COSMETICS

BRAND	% MENTIONING BRAND FIRST
French cosmetics	9%
Artmatic	7%
Pond's	5%
Tony	5%
Aviance	4%
Other	15%
No response	55%

COSMETICS -- Fifty-four percent of those questioned did not respond when asked to name an American brand of cosmetics. The large percentage of non-replies may be gender-related. The largest single segment said they use or prefer only French cosmetics. Other brand mentions were scattered. Three respondents mentioned Revlon specifically, and one referred to an ad in Revlon's "world's most unforgettable women" campaign, which features a Russian model, by quoting its headline "New York-Paris-Moscow." Only 11% of the total group listed more than one brand name.

Soviet women are enthusiastic users of cosmetics and given the general shortages of cosmetics, there appears to be room in this category for aggressive marketing, particularly for American cosmetics with a French-sounding name. French brands (notably Dior) are available in hard currency shops in the foreign hotels.

Table 3.
RUNNING SHOES

BRAND	% MENTIONING BRAND FIRST
Nike	43%
Other	19%
No response	38%

RUNNING SHOES -- Nike swept the running shoes category with 42.7% of first responses, but there were nearly as many non-responses. One respondee named New Balance and provided a drawing of the brand's logo N. Brands mentioned in this category included Adidas ("many kinds, but Addidas is the best"), Puma, Sunshine and Big Runs.

CIGARETTES -- This category generated the longest lists of spontaneous multiple-answer responses, with 56% of those questioned naming three or more cigarette brands. Ninety-six percent of the respondees were able to name at least one American brand. There is some cigarette advertising in the USSR, in the form of lighted signs on the walls in the Moscow airport's international baggage claim area, but this is advertising seldom seen by

average Soviet citizens. In general, high awareness of cigarettes probably reflects Soviets' own consumption patterns (many Soviets are smokers), and the availability of American cigarettes, which have long been used for bribe and barter by tourists visiting the Soviet Union.

Table 4.

NUMBER OF CIGARETTE BRANDS NAMED BY RESPONDENTS

ONE OR MORE	THREE OR MORE	FIVE OR MORE	SEVEN OR MORE
96%	56%	21%	11%

Marlboro, Camel, Kent and Winston were 1-2-3-4 in terms of first brand recalled. But in overall frequency, while Marlboro and Camel held their lead, Winston was mentioned more frequently than was Kent.

Table 5.

CIGARETTE BRAND RECALL

BRAND	% MENTIONING BRAND FIRST	% MENTIONING BRAND IN TOTAL ANSWERS
Marlboro	32%	76%
Camel	22%	63%
Kent	16%	27%
Winston	12%	35%
More	2%	17%
Salem	2%	13%
St. Morris*	2%	16%
Other	2%	63%
No response	2%	

*Includes "St. Morris" and "Phillip Morris"

Thirteen percent chose Kent/Camel or Kent/Marlboro as their first two brands, but no such patterns were visible with those who chose Camels or Marlboro's first. As was true with other questions, some non-American brands were perceived as American (Players, Samuels, Rothman's). Only three of the respondents could name no American cigarette. Salem, Moore, Pall Mall, St. Morris (or Philip Morris), More, Merit, Newport, Lucky Strike and even Chesterfield brands were known by Soviet college students. One named over ten brands, and went on to comment in the margin, "It's owing to your cigarettes I am an inveterate smoker now."

SPORTS EQUIPMENT -- Soviets showed a poor awareness of American brands of sports equipment, with 65% unable to answer this question and few of the remaining responses mentioning any actual American brand names.

AUTOMOBILES -- Ford, which briefly manufactured trucks in the Soviet Union, appears to have done the best job of registering in the Soviet consciousness. The General Motors corporate image out-registered its own brands such as Chevrolet.

Table 6.

AUTOMOBILES

BRAND	% MENTIONING BRAND FIRST	% MENTIONING BRAND IN TOTAL ANSWERS
Ford	59%	80%
Cadillac	20%	58%
GM brands*	9%	41%
Chrysler	7%	29%
Other	4%	28%
No response	1%	

* "General Motors" plus "Chevrolet" and other GM brands are tallied here.

Both Cadillac and Chrysler were sometimes "creatively" spelled, probably reflecting lack of actual contact with the product. Luxury cars such as Rolls Royce, Porsche, BMW, Saab and Jaguar were perceived as American.

FAST FOOD -- McDonald's, which is opening 20 outlets in Moscow (Lanchner 1989, p. 32), was the first name recalled by 50% of those questionned, while 41% of the respondees were unable to name any American fast food outlet. McDonald's cartoon character Ronald McDonald also showed up in response to a question asking about American cartoon characters, and the McDonald name appeared under American ice cream in one set of answers.

SOFT DRINKS -- Though Pepsi Cola has been marketed in the Soviet Union since 1972, and both Pepsi and Fanta are widely available in Soviet bars and hotels, Coca Cola was named first by more respondents, and was the only soft drink named by 20% of those polled.

Table 7.
SOFT DRINKS

BRAND	% MENTIONING BRAND FIRST	% MENTIONING BRAND SECOND	% MENTIONING BRAND IN TOTAL ANSWERS
Coca Cola	51%	26%	83%
Pepsi	31%	34%	71%
FANTA	7%	1%	26%
Other	9%	7%	28%
No response	2%		

Fifty-nine percent of the group named both Coke and Pepsi. The terms Pepsi, Pepsi Cola, Coke and Coca Cola were all used.

ICE CREAM -- Soviets make excellent ice cream, usually vanilla; it is the dessert restaurants serve after most meals, summer or winter. The visitor often sees long lines on the street corners when ice cream is available. Moscow's 8.5 million citizens are estimated to consume 170 tons of ice cream each day (Cutler 1988). Knowing that at least one American manufacturer (Ben and Jerry's, of Burlington, Vermont) has made an attempt to market ice cream in Moscow (Cutler), a question on this category was included. Most respondents (72%) could not name an American ice cream;

one wrote "God knows!" But a trace of awareness for even this fragile product exists, with Howard Johnson's showing up on 16% of the questionnaires and one respondent listing Ben and Jerry's.

BEER AND LIQUOR -- This question generated 51% blank responses, and low response for actual liquor brand names. Seagrams and Smirnoff dominanted among liquors (4.9% each of first responses). The only real beer awareness was of Budweiser (7.3% of all those polled), with this name distorted to "Woodweiser" or some variant on several questionnaires. Golden Star, Moosehead and Tuburg beers were mentioned.

Equally interesting was the fact that some respondents resented the question, commenting "is a poison" or "why to name one?" This reflects official Soviet concern (Goldman 1988, p. 109) about alcoholism and its contribution to the production of shoddy goods in factory assembly lines. Soviets visiting the U.S. ask to taste bourbon or scotch, and American drinks -- bourbon, whisky or martini -- while not brand names, appeared in some responses.

Implications and Conclusions

Several observations can be made about this modest survey, and the responses of the young Soviets to it. The fact that Kharkov University officials calmly accepted the idea of an American advertising professor polling their students, and the eagerness with which students answered questions concerning American products, suggests a tolerant atmosphere

toward American brand advertising and competitive marketing practices. This may mean that future surveys could include more pointed questions about sources of information about American brands and could be conducted using a larger and more statistically valid sample. It would also be interesting to administer a similar survey to young black market street traders in Leningrad and Moscow, who are also English-speaking and of college age. Such a survey might probe for other high-awareness brands, by asking for black market prices.

Soviets know a surprisingly wide range of American brands, as demonstrated by the multiple-answer responses in most product categories. When these responses were examined closely for actual, rather than perceived, American brands, this impression still held true.

Table 8.

ABLE TO RECALL ONE OR MORE ACTUAL OR PERCEIVED AMERICAN BRANDS

CATEGORY	AT LEAST ONE BRAND	TWO BRANDS	THREE BRANDS	FOUR BRANDS
Automobiles	99%	63%	44%	17%
Beer and Liquor	32%	10%	–	
Blue Jeans	63%	71%	54%	29%
Cigarettes	96%	76%	56%	35%
Cosmetics	37%	11%	5%	2%
Fast Food	59%	5%	–	
Ice Cream	28%	–		
Running Shoes	62%	12%	–	
Soft Drinks	98%	68%	32%	10%
Sports Equipment	35%	6%	3%	–

Some of the most well known categories were products traded on the black market, but others, such as automobiles, were those with which most respondents would have had no personal contact.

Among the Kharkov respondents, some product categories appear to be well defined: cigarettes, blue jeans, soft drinks, automobiles. Other categories which are brand-rich in the USA appear to have no dominant players in the USSR: cosmetics, sports equipment, ice cream -- or have room for additional brands: running shoes, fast foods, soft drinks. Beer and liquor will probably be resisted at the consumer level and advertising for these products is already prohibited at the official level.

The profile of brand preferences provided by this statistical snapshot of English-speaking Soviet college students in May, 1988, is partially verified by a list of Soviet black market prices for American goods published in March, 1989, by Adweek magazine. Adweek's chart, part of an article on ad agencys' joint ventures in Moscow (Lanchner 1989), includes U.S. State Department estimates of black prices for four American brand name items. Two of these -- Marlboro and Levi -- were named first and most freqently in their product category in unaided recall by youth in Kharkov. The establishment of black market or barter rates suggests that Soviets are in fact already making purchases or trades based on the value of brand names.

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Table 9.

BLACK MARKET TRADING VALUES

Product	Black Market Value	Ruble Equivalent*
Pack of Marlboro cigarettes	$6.20	10 R
Levi Jeans	$137	220 R
Sony Walkman	$434	699 R
IBM PC Computer	$15,500	24,955 R

Adapted from: Adweek, Feb. 20, 1989. p. 32.

* 1R = $1.59. The monthly salary for an Assistant Professor at Kharkov State University, USSR, is 300 R.

In reviewing the questionnaires as a whole, no confusion is evident over brand names as a concept, despite the fact that most Soviet goods are generic. Within individual questionnaires, it was common to see multiple-answer responses written in one category, while others were left blank or answered with a single brand. I interpret this as showing good comprehension of the questions and hope it will encourage others to attempt English-language polls in the USSR.

Some brand knowledge may have come from exposure to American print media. Interestingly, most of the brand names were spelled correctly. Sixty percent of these respondents said they had seen or looked at at least one American magazine within the past month. Eighteen percent said

advertising was the most attractive, or among the most attractive, aspect of American magazines. Since 85% of those questioned had not traveled outside the USSR within the past two years, one might conclude that sources for information on things American already exist inside the USSR. This knowledge extends well beyond American products: 479 responses were given to a single write-in question asking these 82 students for the name of an American politician other than President Ronald Reagan. Similar multiple-response answers occured when the question concerned American musicians or musical groups.

Advertising of American products has already begun in a limited way with the airing, in 1988, of foreign commercials within certain programs (Simurda 1989, p. 37) and the acceptance of business-to-business advertising in the pages of Izvestia ("Soviet newspaper says 'da'..." 1989).

Edward Wierzbowski, president of Global American TV, a young businessman engaged in selling Soviet television time to American companies (Lanchner 1989, p.28) told Adweek "It's never too early to build brand recognition (in the Soviet Union)." Young and Rubican, Ogilvy & Mather Worldwide, and Saatchi & Saatchi Advertising are opening Moscow offices or otherwise arranging to do joint venture business within the USSR (Joseph 1989, Murrow & Levin 1989).

The Gallup Organization is joining the Institute for Sociology of the Soviet Academy of Sciences to study consumer product purchase behavior (Gilbert 1989).

It may well be, as college educated, English-speaking Soviets such as those surveyed move into the adult marketplace, already-established preferences for some American brands will pull many American goods through legitimate marketing channels with surprising speed.

Footnotes

1. The Soviet Union currently exports only $425 million in goods to the USA. (Cutler, Blayne. (1989) " From Russia with realism," Fortune, (January 2), 12) In 1983, their exports to the USA were even less: $346.5 million, at a time when our exports to the USSR totaled $2,002.9 million. (Kaynak, Erdener. & A.Coskun Samli, "Eastern European marketing systems and Western marketing research voids: a research agenda," Journal of Business Research 14(2), 111.)

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